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TESTIMONY OF

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**Before the
House Subcommittee on Commerce, Trade and Consumer Protection**

**“Reauthorization of the National Highway Traffic Safety Administration”
9:30 a.m.
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Mr. Chairman: my name is Susan Pikrallidas, and I am the Vice President of Public Affairs for AAA. On behalf of our association, thank you for the opportunity to discuss one small, but important provision in the Senate version of the transportation reauthorization bill. I am referring to the requirement in Section 7260 that the Environmental Protection Agency, in consultation with the National Highway Traffic Safety Administration, revise the process used to determine fuel economy estimates for vehicle labeling purposes to reflect the actual mileage vehicles achieve under “real world conditions.”

The summer driving season is upon us. Next week AAA will release its travel projections for the July 4th holiday weekend, and we expect that Americans will be traveling in record numbers. Nevertheless, gasoline prices remain high. With the cost of gasoline well over \$2.00 a gallon, the family travel budget is going to feel a pinch.

AAA members have asked what they can do to conserve fuel during periods of high gas prices. We provide a number of driving tips, vehicle maintenance suggestions, and other information to help them save money and conserve fuel. One suggestion relates to purchasing more fuel efficient vehicles. Unfortunately, new car buyers wishing to factor fuel economy into their purchasing decisions are short-changed by the information they see on the window sticker. In too many cases, they experience a different kind of sticker shock when they take their new car on the road.

“Truth-in-advertising” is what the Senate provision seeks to achieve – nothing more! AAA views this provision as a simple, straight-forward directive to the federal agency charged with administering test procedures that produce the mileage ratings consumers see on the window stickers of new vehicles. By EPA’s own admission, existing procedures are outdated, and agency officials agree that test procedures must be revised. Section 7260 of the Senate-passed transportation bill provides Congressional direction so that EPA will do what it has said it should do, and that is update their existing test procedures.

Why do we need this change? Mr. Chairman, consumers are misled when they read these mileage ratings on window stickers. They have every right to believe that ratings produced by a federally mandated test accurately reflect what they will see once they drive the vehicle off the lot. Real-world experience often produces a different reality than a laboratory test. EPA's fuel economy tests are 30 years old and are out of step with current driving habits and traffic patterns. They do not take into account higher speed limits or the effects of driving on congested roads. Tests are run with the air conditioning system off, even though virtually every car comes with A/C and most drivers use it.

Mr. Chairman: experts from the Energy Information Administration have said EPA's current methods "may be inappropriate for evaluating vehicles used today" and the National Academy of Sciences' National Resource Council says "most drivers experience lower fuel economy than suggested by EPA's results." But, the most persuasive evidence comes from consumers themselves who are frustrated when the mileage they actually see is less than what they were led to believe when they bought their vehicles.

Over the last several months, considerable work has been done to craft a compromise provision that achieves objectives that everyone supports without the additional costs of creating new tests. When this issue was raised on the floor of the House during debate on the energy bill, it was the concern that new tests would need to be created that derailed an amendment and the intent of what consumers were trying to achieve. Since then AAA, along with other stakeholder groups, worked with Majority and Minority committee staff

on the Senate side and reached agreement on the language that is now found in Section 7260 of the Senate transportation bill.

Truth-in-advertising can be achieved by utilizing existing EPA tests that are used for other purposes such as emissions testing. We believe that allowing EPA to use a combination of these existing tests, rather than the out-moded fuel economy labeling test will achieve the desired results. ***EPA is not required to develop a completely new test.*** The language in the bill makes clear that EPA will be given the flexibility to “update and revise the process used to determine fuel economy values ***for labeling purposes only***”, and can be adjusted for factors such as speed limits, acceleration rates, braking, variations in weather and temperature, vehicle load, use of A/C, driving patterns, and use of other fuel consuming factors.

Mr. Chairman: this approach was carefully crafted to meet the concerns of all parties – consumers and manufacturers. It’s a win-win solution that will lead to consumers getting what they deserve: accurate information on which to make informed purchasing decisions.

We have only one last hurdle to cross: that is a decision on the part of House conferees to accept the Senate language in the transportation bill. A positive signal of support from this subcommittee will send the right signal to conferees and their consumer constituents.

Thank you, Mr. Chairman.